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Remarks

The present response is to the Office Action mailed in the above-referenced case on March 23, 2006. Claims 1-38 are standing for examination. Claims 23, 24, 29 and 30 are rejected under 35 U.S.C. 112, second paragraph. Claims 1-6, 8, 10-19, 2, 25, 27-38 are rejected under 35 U.S.C. 102(b) as being anticipated by Carter III (US 5,878,400) hereinafter Carter. Claims 7, 9, 20, 21, 23, 24 and 26 are rejected under 35 U.S.C. 103(a) as being unpatentable over Carter.

In response to the rejections and comments provided by the Examiner, applicant herein amends the claims to overcome the 112 rejection. Applicant provides arguments to particularly point out the subject matter in the claims deemed patentable by applicant over the art of Carter provided by the Examiner.

Applicant points out to the Examiner that the reference of Carter was introduced in the background portion of applicant's specification. The system of Carter organizes various pricing tables and price adjustment tables for various products and purchasing entities based on which purchasing entity is purchasing which specific product. The invention utilizes de-normalized numbers in tables to relate the requesting purchaser to the product desired. The different types of purchasers and the various types of products offered are organized into hierarchical groups represented by data tables. Working by individual hierarchical levels, of which there may be many, specific price adjustments can be specified for each created level of the organizational groups and for each created level of the product groups.

Applicant argues that the art of Carter fails to teach a data repository accessible to the server node for storing at least one pricing data model and rules for manipulating the model as claimed. The system of Carter determines final pricing for a purchasing entity and product desired by retrieving the listed price adjustments for that particular purchasing entity as well as all of the listed price adjustments for the listed groups above the particular purchasing entity in the group's hierarchy. Likewise, the price adjustments for a particular listed product are determined by retrieving the price adjustments for that

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listed particular product as well as the price adjustments for all of the product groups listed above the particular product in the product-group hierarchy.

The system of Carter then must sort through all of the retrieved pricing information to isolate the particular pricing adjustments that fit the selected purchaser and product. The final pricing adjustments aggregated are then applied in the form of a pricing sequence to arrive at a final price at which a particular product can be sold to a particular purchasing entity.

While the system does limit the need for duplication of data over multiple product and purchaser-specific data tables, it still requires much processing in order to drill down the hierarchical price-adjustment structure until the pricing adjustments that match the given scenario are finally identified and isolated to use in calculating the final pricing. An enterprise with a large number of different products, client types, and pricing strategies would find the system of Carter quite process-intensive. Furthermore, the system of Carter fails to provide a solution for creative pricing strategies such as tiered pricing, product or service bundling, or other creative pricing structures.

At least one advantage the present invention has over prior-art systems such as the system of Carter is that when calculating pricing, only the rules for the specific factors in a sequence are navigated to determine specificity in pricing rather than the adjustments for all of the entire product and sales hierarchies above the specified product and customer indicated in an order for pricing. Only the rules specific to pricing request attributes are applied in calculation. Applicant accomplishes this by storing pricing models and associated rules for the models in the database for retrieval in response to a pricing request.

Applicant's invention provides a marked improvement in the art by utilizing stored pricing models accessible in a database. Using the models as claimed provides a more-flexible pricing engine that can produce complex pricing information faster using less computational resources and storage space than prior-art pricing systems. With the advent of object orientation, including model representation of real data, far more complex pricing strategies for varied clients can be applied in a much less process-intensive manner than in the prior-art systems of Carter. For the first time applicant provides a method and apparatus that can produce correct and accurate pricing

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presentations for purchase orders and general pricing sheets, lists, and reports using complex strategies in a timely manner agreeable to real-time order processing. A system using the modeling structure as claimed would be less process intensive, take less overall time processing orders and could also provide the enterprise with order, or product-specific profit margin reports, client segregated profit-margin reports, and profit reporting averaged over large sectors of differing products, services, and client types.

Applicant therefore believes that the independent claims, 1, 16, 25 and 32 clearly and unarguably distinguish over the invention of Carter as argued above by applicant. Depending claims 2-15, 17-24, 26-31 and 33-38, are then patentable on their own merits, or at least as depended from a patentable claim.

As all of the claims standing for examination are now patentable as amended and argued by applicant over the art of record, applicant respectfully requests that the present case be passed quickly to issue. If there are any time extensions needed beyond any extension specifically requested with this amendment, such extension of time is hereby requested. If there are any fees due beyond any fees paid with this amendment, authorization is given to deduct such fees from deposit account 50-0534.

Respectfully Submitted,
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